

## COMMONWEALTH OF MASSACHUSETTS DEPARTMENT OF TELECOMMUNICATIONS AND CABLE

## CONSUMER FACT SHEET

## **Regulation of Cable Television Rates**

Who Regulates Cable Rates? Under federal law, the Competition Division regulates rates for basic service tier, installation, and equipment. The cable programming service tier, pay-per-view, and premium services are unregulated, which means that a cable operator may charge what the market will bear.

Basic Cable Rates: Basic service tier is the lowest level of cable service available to subscribers. Basic service tier includes local broadcast channels, any local access public, educational, or governmental channels available to a community, and any other channels a cable operator chooses to include at that level. The Competition Division regulates basic service rates for all communities in Massachusetts that have requested rate regulation and that are not exempt from rate regulation. The Competition Division's review of basic rates is conducted according to specific guidelines established by the Federal and Massachusetts laws and regulations. If the Competition Division approves a rate lower than requested and put in effect, subscribers may see a refund or credit on their monthly bill.

Cable Programming Services Tier Rates: Cable Programming Service Tier is an unregulated service tier that typically includes channels such as CNN, ESPN, Lifetime, MTV, and Nickelodeon. Subscribers wishing to obtain CPST programming must subscribe to the basic service tier and in some circumstances must rent or purchase a converter. Based on a mandate in the 1996 Telecommunications Act, the rates for this level of service became unregulated as of March 31, 1999. For additional information on rate regulation, please contact the Department of Telecommunications and Cable at the following:

Massachusetts Department of Telecommunications and Cable

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